CORPORATE FORECASTING

BUSINESS GROWTH IN EDMONTON

Research Paper No.23

THE CITY OF Edmonton PLANNING AND BUILDING

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BUSINESS GROWTH IN EDMONTON

by

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Important Note: This technical paper was prepared by the Corporate Forecasting Group, Long Range Planning Branch, Planning and Building Department. It documents research results as part of an ongoing forecasting activity. Neither the methods nor the results have been endorsed by the City of Edmonton.

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TABLE OF CONTENTS

	Page
LIST OF FIGURES	ii
LIST OF MAPS	iii
LIST OF TABLES	iv
EXECUTIVE SUMMARY	v
1. INTRODUCTION	1
1.1 Purpose	1
1.2 Source of Data	2
1.3 The City's Role	2
2. BUSINESS GROWTH AND DECLINE	3
3. BUSINESS TYPES	5
4. LOCATION OF BUSINESS GROWTH	7
4.1 Assessment Work Areas	7
4.2 Growth Areas	7
4.3 No-Growth Areas	8
4.4 City-Wide Pattern	9
5. BUSINESS SIZE	10
6. AREA PROFILES	11
6.1 Downtown	11
6.2 West Edmonton Mall	11
6.3 Megastrips	11
7. CONCLUSIONS	13
APPENDIX	15

LIST OF FIGURES

		Opposite Page
1.	Growth in Edmonton Businesses and Alberta GDP	3
2.	Growth in Edmonton Businesses and Employment	3
3.	Total Number of Businesses	4
4.	New and Retired Businesses	4
5.	Current Businesses by Type	5
6.	New Businesses (Quarterly)	5
7.	Retired Businesses (Quarterly)	6
8.	Relative Rate of Turnover of Major Business Types	6

LIST OF MAPS

		Opposite Page
1.	Business Growth and Decline by Assessment Work Areas . .	7
2.	The Downtown (P.R.I.D.E. Area)	11
3.	Existing and Emerging Megastrips	12

LIST OF TABLES (APPENDIX)

A1. Business Growth (Historical Data)
A2. Change in Numbers of Businesses
A3. New Businesses by Type
A4. Retired Businesses by Type
A5. Total Businesses by Type, December 31, 1986
A6. Total Businesses by Type, December 31, 1987
A7. Total New and Retired Businesses, September 1986 to December 1987
A8. Net Increase in Number of Businesses from July 1986 to December 1987
A9. Average Business Size Based on Assessed Indoor Floorspace (sq. m.)
A10. Profile of New Businesses (Major Types) Downtown and in West Edmonton Mall

EXECUTIVE SUMMARY

Purpose

The report examines the growth of new businesses in Edmonton as an indicator of economic change. A summary is provided of the business sectors and locations where the greatest changes have occurred. A valuable source of economic data is analyzed, providing a basis for City decision-making and action to strengthen the local economy.

Structural Change

The creation of new businesses is essential for maintaining economic vitality. Dynamic cities show high rates of business turnover and since 1976 the growth pattern of Edmonton's businesses has been variable. From mid-1986 there has been significant structural change: growth has not been consistent for each quarter and quarterly gains have been balanced by business losses. However, by the end of 1987, there were 17,438 businesses in Edmonton, an increase of 1.6% over 1986.

Business Types

Retailing is the major business sector in Edmonton, accounting for 36% of total businesses and 34% of business floorspace. The food, beverage and accommodation sector had the highest turnover in number of businesses, followed by personal and household services. Manufacturing showed steady growth.

Location of Business Growth

Downtown is the principal focus for business growth in the city. In 1987, 8.5% of all new businesses in the city opened in the Downtown, yet 26% of the city's net gain of businesses was in the Downtown. The Downtown clearly has a greater capacity for retaining existing businesses than other areas of the city. Garneau and Old Strathcona provided a secondary focus for new business activity with 5.6% of new businesses in 1987.

Businesses are being lost from the older commercial areas within the inner city, such as 118 Avenue and the western end of Jasper Avenue and 100 Avenue in Oliver and north of the Government Centre. The loss of inner city businesses can be an important component of neighbourhood decline.

Business Size

There is a trend towards smaller businesses in terms of average occupied floorspace per business, with the retail sector as the principal component of this trend. Other business types have increased their average floorspace or have fluctuated in average size during the past eighteen months.

City Action

A survey of new businesses is proposed to identify the problems experienced by emerging businesses. The survey could form the basis for a new initiative by the City to help new businesses survive.

BUSINESS GROWTH IN EDMONTON

1. INTRODUCTION

1.1 Purpose

- **The report will look at new business growth as an indicator of the strength of the local economy.**

New business growth is a critical factor in maintaining a city's economic strength. As the economy changes, it is essential for new industrial and commercial development to replace declining sectors. The creation of new businesses is vital to maintain the employment base and to prevent the loss of the labour force through migration or reduced participation rates.

- **Small businesses are becoming more important**

The role of individual businesses in the changing business structure has been examined for American cities by David L. Birch. He has found that the emergence of new businesses is becoming increasingly important as smaller businesses become a stronger element in the economy. Since 1950 new companies have been forming at a rapidly increasing rate: the economy is now composed of more, but smaller, businesses. The emerging small companies are the generators of economic growth in the cities.

- **New business creation is needed to offset economic decline.**

Structural changes within western economies, the decline in importance of the older manufacturing sector and resource-based activities, the shift to service provision, and the need for the development of new skills and more advanced technology have had a devastating impact on the cities based on traditional industries. Birch's work shows that the establishment of new businesses to offset this declining trend is crucial to a city's ability to continue to maintain economic growth in the face of plant closures and layoffs. Almost every city in the United States loses an estimated 7% to 8% of its employment base each year through layoffs and closures. The essential difference between the growing cities and those in decline is that the more dynamic cities successfully overcome the effects of this loss through the constant emergence and growth of new business and employment opportunities. A business start-up rate of over 7% is being achieved by the most dynamic cities, compared with only 1% for those cities which are struggling to maintain their economic base.

No study comparable with Birch's has been made of Canadian cities; this report will assess Edmonton's rate of new business creation to see to see whether Edmonton's experience is consistent with Birch's findings.

1.2 Source of Data

- **Assessment records maintained for taxation purposes are a valuable source of business information.**

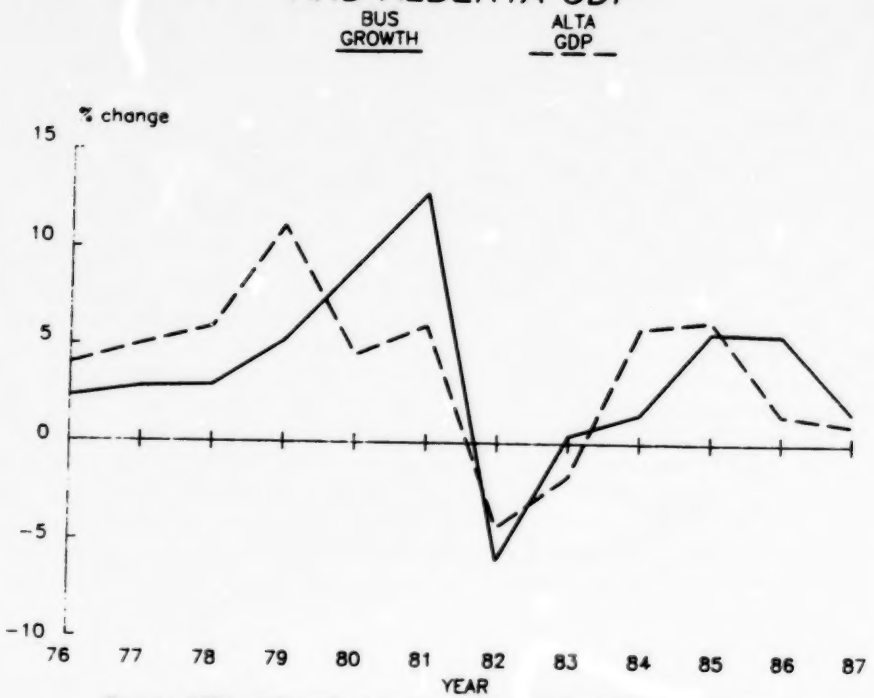
The City of Edmonton is fortunate to have a data source which allows the analysis of business activity. The Office of the City Assessor maintains records of current, new and retiring businesses which are subject to business assessment by the City. Businesses which are not assessed, such as subtenants, are not included and therefore figures will be lower than those in inventories compiled from other sources. The compilation of tables and lists each quarter provides a source of data for analyzing trends in the emergence of new businesses, business closures, and their impact on the current business structure. This data was first obtained in mid-1986. The following report will present observations on the business changes which have occurred since then, to the end of 1987.

1.3 The City's Role

- **The City can help businesses to survive, improve the local economy and retain jobs.**

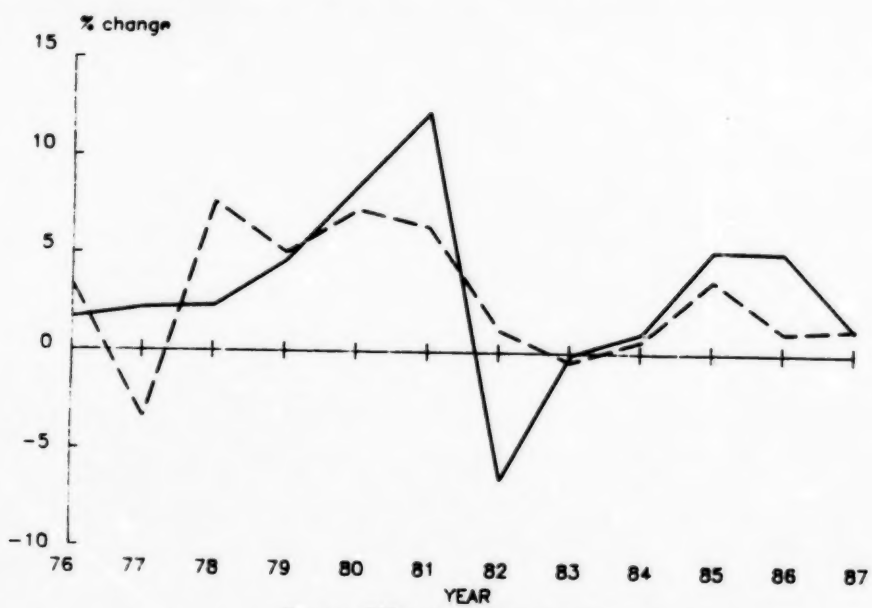
Birch has concluded that the services provided by a local authority are a significant factor in the creation and success of a new business. High quality government services can be essential to a small company which, unlike the larger corporations, cannot provide its own services and is less able to operate independently from its local environment. Further knowledge of the characteristics and needs of emergent and potential businesses is an essential basis for introducing civic measures to encourage the development, growth and success of new enterprises.

Figure 1: GROWTH IN EDMONTON BUSINESSES AND ALBERTA GDP



Source: Office of the City Assessor. 1987 Alberta GDP is estimated.

Figure 2: GROWTH IN EDMONTON BUSINESSES AND EMPLOYMENT



Source: Office of the City Assessor

2. BUSINESS GROWTH AND DECLINE

- **Business growth has been erratic; a peak occurred at the beginning of 1982.**

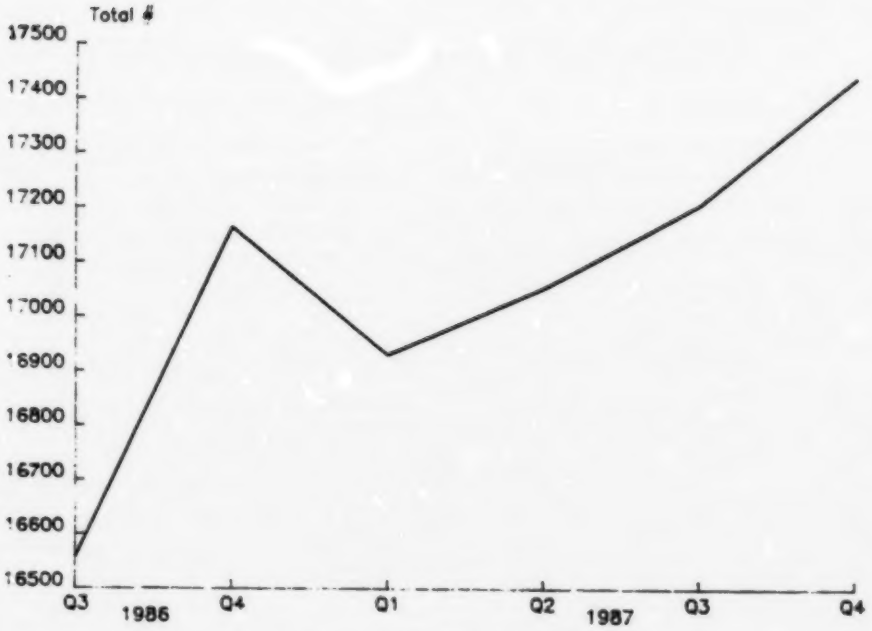
Historical data on the total number of assessed business premises (Table 1) shows a growth pattern which is highly variable from the start of 1976. The city's business structure grew slowly during 1976, 1977 and 1978, but growth accelerated during 1979 and 1980, reaching a peak at the beginning of 1982. A disastrous loss of businesses occurred during 1982. In the following years, growth was minimal and not until 1986 did the number of businesses return to the 1982 level.

Figures 1 and 2 compare business growth with Alberta gross domestic product and with Edmonton employment growth. Edmonton's business growth follows Alberta GDP, with a lag of approximately two years at the growth peaks. Figure 1 indicates that even if significant improvement takes place in the provincial economy, it could take about two years before the benefits are reflected in business growth in Edmonton. Employment change is less erratic than business growth; this is partly explained by Edmonton's role as a service and government centre which provides stability in employment levels.

- **Strong growth of new businesses was accompanied by many business losses during 1986-1987.**

Edmonton's business structure has been strengthened since mid-1986 with a net growth of 880 businesses. By the end of 1987 the city's total number of assessed businesses had risen from 16,558 to 17,438, an increase of 5.3% over 18 months (see Figure 3). However, much of this growth occurred during the last quarter of 1986 when 1,453 new businesses were created, giving a net gain of 605. This gain in business strength conceals considerable change within the business structure: growth has not been consistent for each quarter and quarterly gains of new businesses have been counterbalanced by substantial numbers of closures. Quarterly trends in businesses are given in Tables A2, A3, and A4 in the appendix and shown on Figure 4. Although the quarterly figures show that periods of active business creation often correspond with the time when business retirements are high, only 7.3% of the businesses which retired from the business assessment records in 1987 were businesses created in that year.

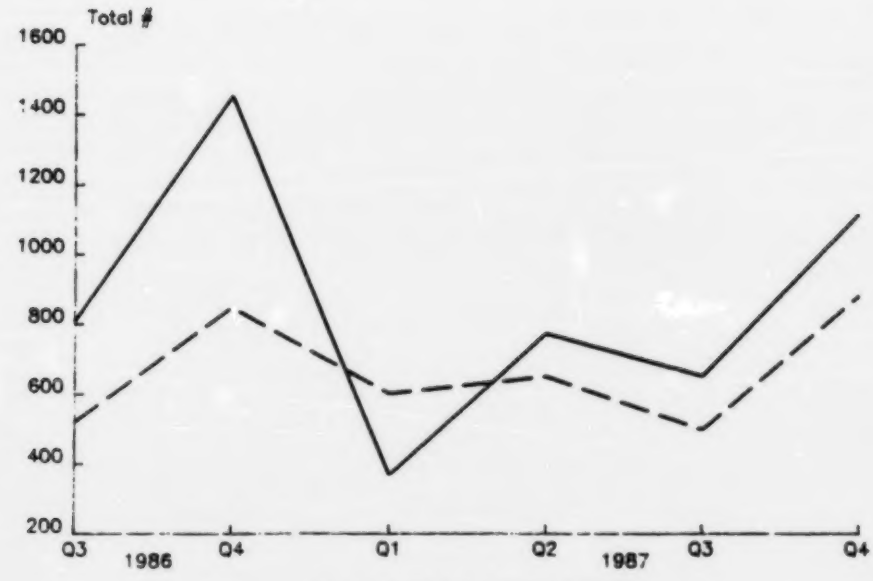
Figure 3: TOTAL NUMBER OF BUSINESSES



Source: Office of the City Assessor

Figure 4: NEW AND RETIRED BUSINESSES

NEW RETIRED



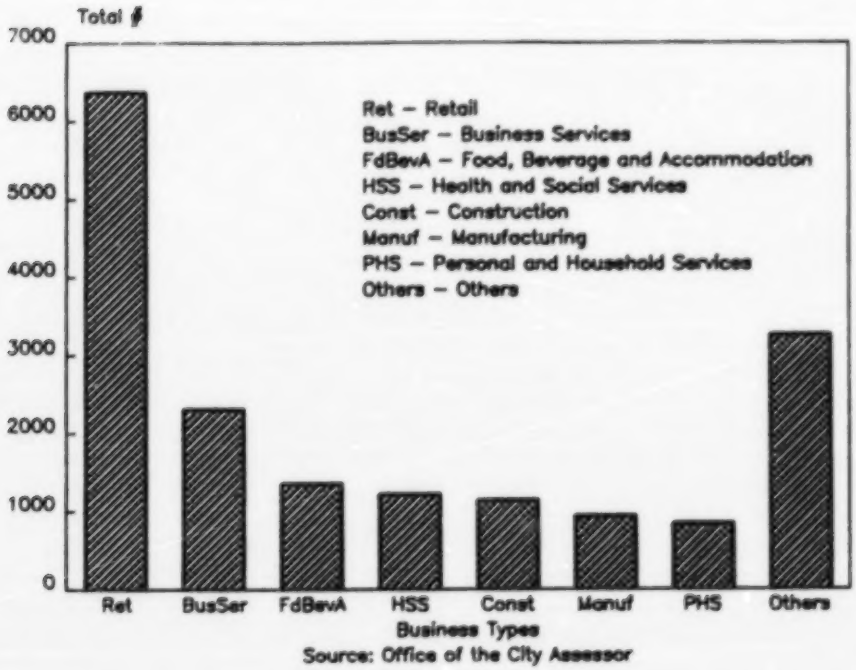
Source: Office of the City Assessor

- **In 1987, only a 1.6% growth in total number of businesses was achieved.**

During the period from September 1986 to the end of 1987, businesses in Edmonton showed a healthy rate of creation of 26.3%, with 4,362 new businesses emerging. However, during the same time 3,482 businesses retired, giving a failure rate of 16.6%.

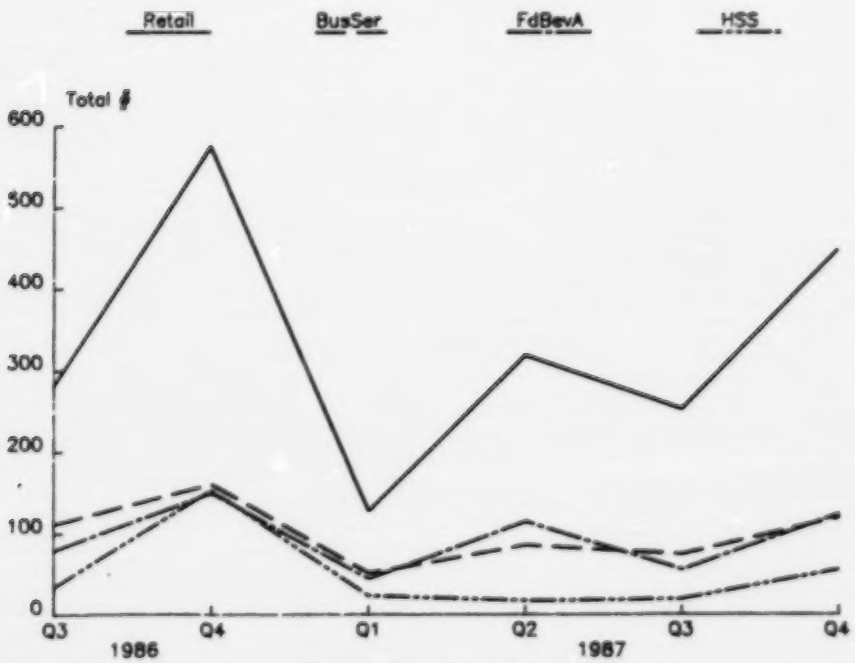
During 1987, 2,909 new businesses were created, giving an annual rate of business creation of 16.9%. This figure compares very favourably with the 7% determined by Birch to be necessary to compensate for business losses. Unfortunately, during the same year, 2,634 businesses retired, giving a closure rate of 15.3%, which is much higher than the 7% to 8% decline found in United States cities. The net growth rate of businesses over 1987 was only 1.6% (275 businesses). Edmonton achieved a favourable balance between business creation and closure rates which appears more healthy than the rates found by Birch. Business failures, or other changes which cause the removal of businesses from the assessment records seem to be an inevitable part of economic change and dynamic growth, but the size of the rate of business loss is cause for concern and an indication that some businesses may need help if they are to continue to play an active role in the city's economic and employment structure.

Figure 5: MAJOR BUSINESS TYPES
(December 31, 1987)



Source: Office of the City Assessor

Figure 6: NEW BUSINESSES
(Quarterly)



Source: Office of the City Assessor

3. BUSINESS TYPES

. **Retailing is the city's major business sector.**

The retail sector is the primary sector among Edmonton's businesses. More than one third of the city's businesses are engaged in retailing (see Figure 5 and Tables A5 and A6) and retailing occupies approximately one third of assessed floorspace.

Business services are the second largest category in numerical terms, but, in general, individual businesses are small in scale and occupy a relatively small amount of floorspace.

The food, beverage and accommodation group is also a major component of local business (8% of assessed businesses at December 31, 1987) and is a relatively large occupier of indoor space because of the inclusion of hotels in this category.

Other groups include health and social services which occupies only 2.2% of assessed indoor floorspace compared with 7% of the number of businesses (at December 31, 1987) and construction which occupies 7.0% of total space, compared with 5.0% of indoor space.

A full list of numbers of businesses and assessed floorspace is shown in Tables A5 and A6. These tables update the information contained in the 'Business Floorspace Inventory'.[1]

. **Retailing has the largest share of new businesses.**

Assessment data on the numbers of businesses in the city and changes to those numbers is available for the third and fourth quarters of 1986 and for each quarter of 1987. From mid-1986 to the end of 1987, 4,362 new businesses were created, a rate of 26.3% (Figure 6 and Table A7). Of these, the largest number was in the retail category (1,720) which far exceeded new business creation in business services, the second most important sector, with 489 new businesses. Although retailing generated the highest number of new businesses, the impact of this growth on the existing stock was modified by the fact that the retail category has a much larger base (6,369 businesses at December 31, 1987) and had a high level of business retirements (Figure 7). Its rate of creation of new business is slightly higher than that for the total businesses, at 28.8%.

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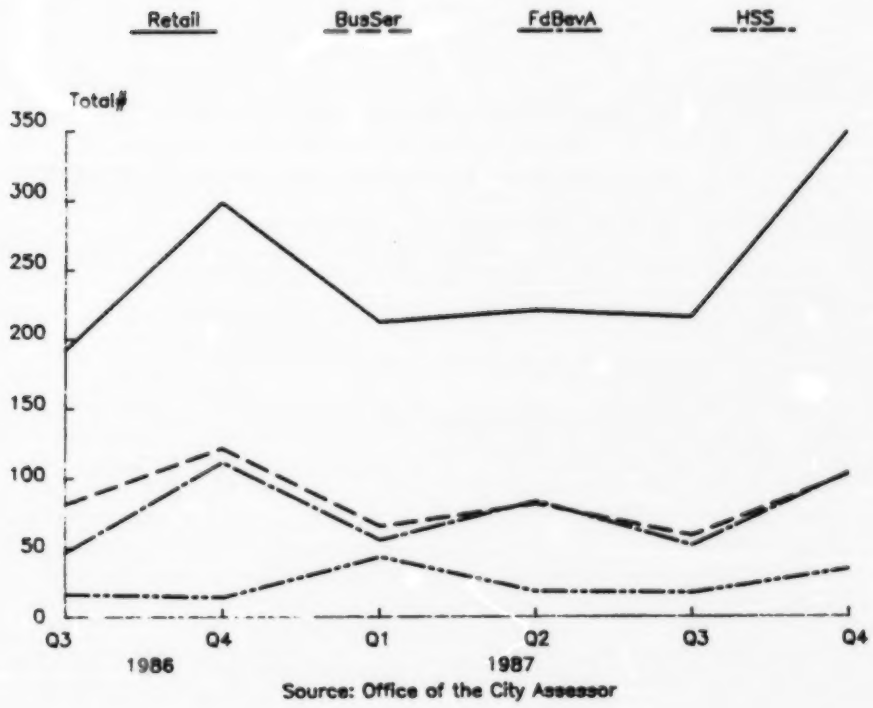
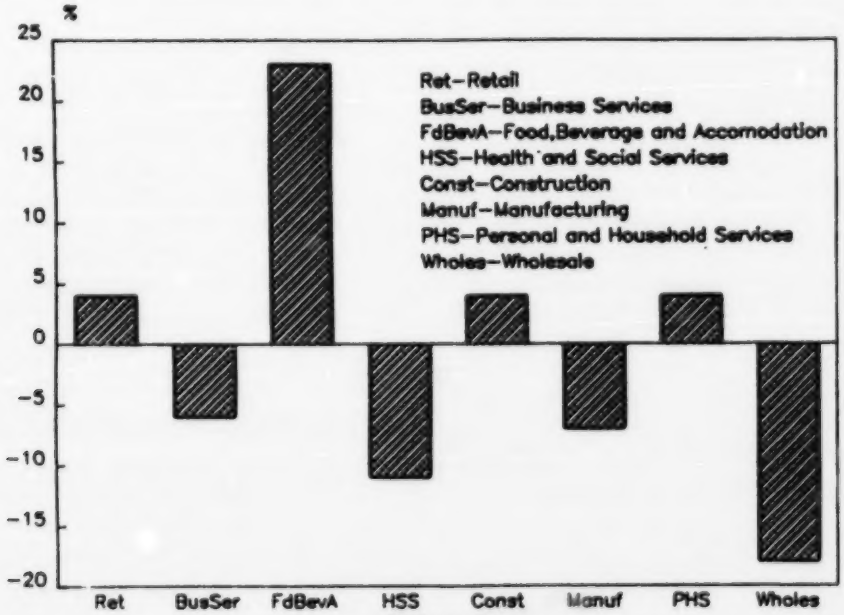
[1] City of Edmonton Business Floorspace Inventory, Long Range Planning Branch, Planning and Building Department, August 1987

Figure 7: RETIRED BUSINESSES
(Quarterly)



Source: Office of the City Assessor

Figure 8: RELATIVE RATE OF TURNOVER OF MAJOR BUSINESS TYPES



Source: Office of the City Assessor

- **Food, beverage and accommodation has the highest turnover.**

The highest rate of generation of new businesses came from the food, beverage and accommodation category (38.2%). However, the effect on business growth was significantly reduced by the large number of retired businesses, giving a closure rate of 23% between September 1986 and December 1987 (see Table A7). Personal and household services emerged as the next most volatile category with a closure rate of 19.5% and a rate of new business generation of 26%. An indication of the turmoil concealed within the figures of net business gains in each sector is given by the closure and business creation rates in Figure 8[2] and Table A7. Health and social services appears as the strongest sector, with a creation rate far in excess of its closure rate. Manufacturing emerges as surprisingly healthy, in spite of the prevailing view of this sector as a declining element in the economy.

- **Health and social services is the fastest growing sector.**

Table A8 shows the resulting effects on each business type of the new businesses and retirements shown in Table A7. During the period from mid-1986 to December 31, 1987, health and social services businesses had the highest percentage increase, with retailing and the food, beverage and accommodation sectors maintaining a healthy rate of increase of almost 7%. Construction and manufacturing show higher growth rates than business services and personal and household services, suggesting that their decline in favour of the new service-based industries is being overstated.

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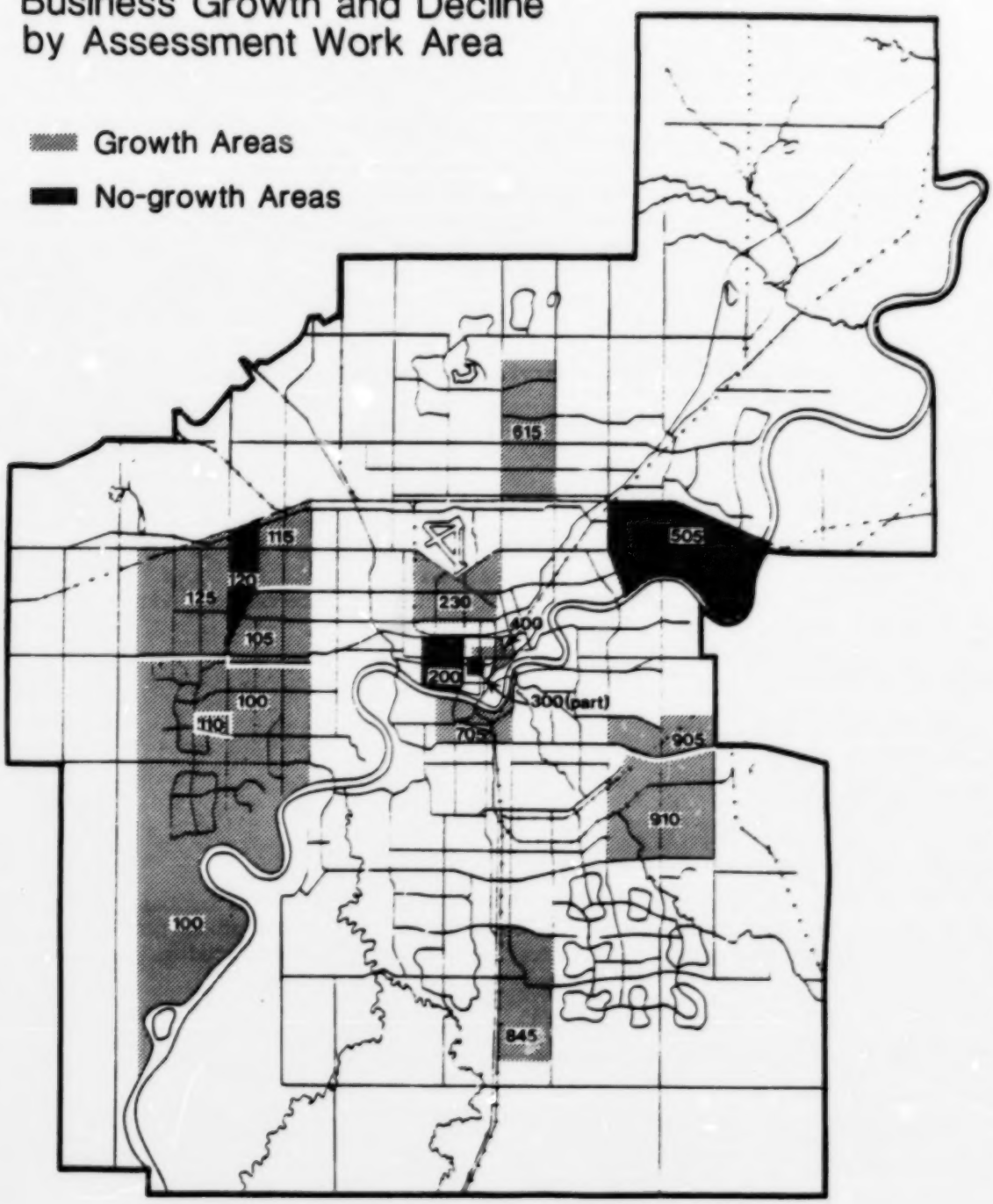
[2] Figure 8 compares the rate of turnover of the major business types with the rate of turnover of total businesses. The rate of turnover is a measure of activity expressed as a percentage which was calculated as follows:

$$\frac{NB(t_2 - t_1) + RB(t_2 - t_1)}{TB(t_1)} \times 100$$

Where: NB = New Businesses
RB = Retired Businesses
TB = Total Businesses at time t
t_1 = time at start of period (September 30, 1986)
t_2 = time at end of period (December 31, 1987)

Map 1

Business Growth and Decline by Assessment Work Area



Source: Office of the City Assessor,
Planning and Building Department Classification

4. LOCATION OF BUSINESS GROWTH

4.1 Assessment Work Areas

Data on current numbers of businesses, new businesses and retired businesses is available from the Office of the City Assessor for assessment work areas. The boundaries of work areas do not coincide with geographic units used for other purposes within the civic administration, but no other geographic breakdown is readily available. The size of areas varies across the city, so caution must be used in comparing activity in different work areas. Work areas also vary in their characteristics: some large work areas are largely residential, others are wholly industrial, and specific developments may have their own work area, for example, West Edmonton Mall.

4.2 Growth Areas

- **New businesses are attracted to Downtown and are helping revitalization.**

Downtown was the major business growth centre during 1986 and 1987. Work area 400 (Map 1) gained 202 new businesses in 1986, and another 248 in 1987. The area's share of new businesses rose from 6.5% in 1986 to 8.5% in 1987. Although the number of retired businesses was also high in work area 400 (176 during 1987), the net gain in businesses for this area was 72 additional businesses. The net gain of businesses was only 275 for the whole city during 1987, giving work area 400 an impressive 26% of the net city total increase.

- **Garneau and Old Strathcona attract new business growth.**

After Downtown, Garneau and the western part of Old Strathcona (work area 705) emerged as the next most popular location for opening new businesses during 1987. In 1987, 163 new businesses started, compared with 112 in 1986; its share of new businesses increased from 3.6% in 1986 to 5.6% in 1987. The net gain of businesses in work area 705 totalled 27 for 1987, second only to the Downtown figure.

- **In 1987, new business growth concentrated in the West End.**

With the exception of Downtown and the Garneau/Old Strathcona area, 1987 reveals a concentration of business growth in the West End. Prominent areas are West Edmonton Mall, the Northwest Industrial Area East (work area 115) and West (work area 125), the West End residential area (work area 100), and Britannia/North Jasper Place (work area 105). For a single work area, there may be up to 103 new businesses (e.g., at West

Edmonton Mall), but the net gain for each work area is only around 10 businesses. West Edmonton Mall has clearly reached the point where significant business growth cannot occur because the Mall's physical capacity is finite. Business changes will continue as stores close and others replace them, and small increases may arise from subdivision of existing units, but the Mall can no longer be the focus of the City's new retail growth now that it is completed.

- **Examples of other growth areas.**

Work area 230, to the south of the Municipal Airport (Queen Mary Park, Central McDougall and Prince Rupert) is a growing area with 77 new businesses and a net gain of 17. This work area includes Kingsway Garden Mall and the commercial areas along 107 Avenue. Work area 615 (Dickinsfield/Glengarry) also exhibits a strong positive growth trend with 66 new businesses, a net gain of 18. Much of this activity occurred in Northwood Mall.

- **Industrial areas are important focuses for new business growth.**

The industrial areas in the south and southeast of the city were also strong contributors to the City's economic development during 1987 with the Southeast Industrial Area (work area 910), Parsons Industrial and the Research and Development Park (work area 845), and the Lambton Park and Morris Industrial (work area 905) as particularly important.

4.3 No-Growth Areas

- **Some older areas are losing businesses and likely employment.**

There are many examples of the strongest areas being those with the most retired businesses (e.g., Downtown and Garneau and Old Strathcona), but in these cases the area is being regenerated by the influx of new businesses.

In other areas, particularly the older commercial areas in the inner city, business retirements exceed the number of new business starts so that these commercial areas are losing their vitality. Examples include the following:

(i) Work area 505 - a large area stretching from the Highlands to Rundle Heights; 59 retired businesses are recorded, giving a net loss of 46 businesses. Most of the changes in this area have occurred along 118 Avenue.

(ii) Work area 200 (the eastern part of Oliver): a net loss of 44 businesses resulted from 66 businesses retiring. Jasper Avenue and 100 Avenue are the main locations of closures.

(iii) Work area 120 (the central part of the Northwest Industrial Area): 56 businesses retired, giving a reduction in businesses of 32.

(iv) Work area 300 (southern part of Downtown, Government Centre and Rossdale): 63 businesses retired, reducing the business community by 19. As in work area 200, Jasper Avenue and 100 Avenue are the focuses of activity.

The decline of older commercial areas is closely linked to the decline of inner city neighbourhoods: businesses are no longer available to serve older neighbourhoods, making them less attractive residential areas and the loss of population reduces the market for inner city businesses.

4.4 City-Wide Pattern

- **A survey of new businesses will provide information on business location.**

These examples show that expanding and static or declining areas can exist in close proximity. It is difficult to determine from the data the factors which contribute to this growth pattern, although the opening of the new Eaton Centre downtown has clearly contributed to the increase in retail outlets and new retail developments along Whyte Avenue make up a substantial share of new businesses in the Garneau/Old Strathcona area. A survey of new businesses is being planned which will collect information on the locational decisions of new businesses in the City: some of the locational patterns may then be explained.

5. BUSINESS SIZE

- **In retailing, the trend is towards smaller businesses.**

For the six quarters for which assessment data is available, total indoor business floorspace shows a trend towards smaller businesses. Table A9 shows that during that time the average space per business declined from 521 square metres to 511 square metres.

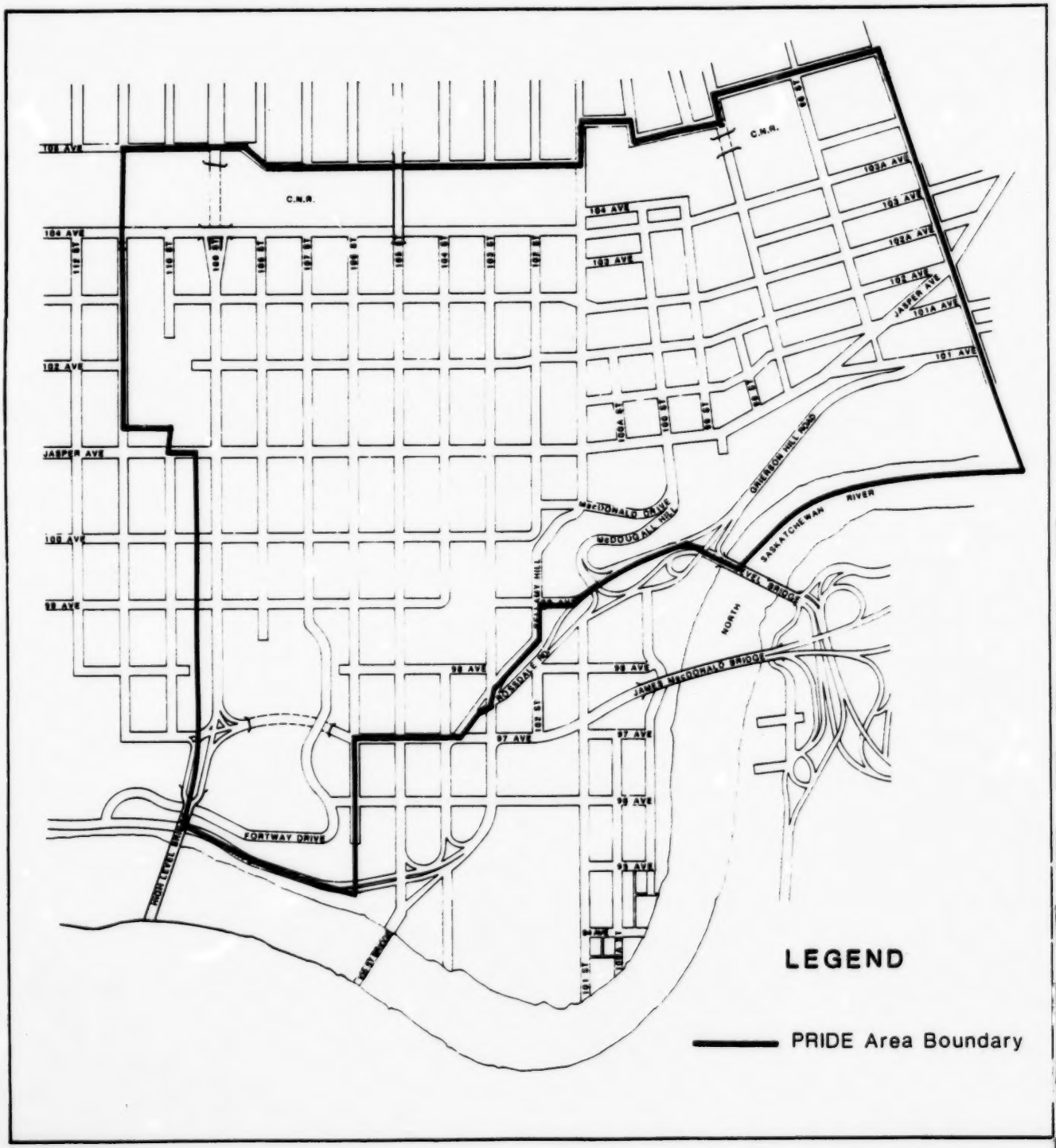
This trend was also observed among retail businesses, which showed a decline in average space from 497 square metres to 474 square metres. Because retailing is the largest component of total businesses, the general trend is expected to reflect what is happening in retailing.

Other business types do not show a strong indication of declining size. Food, beverage and accommodation businesses declined in average size during 1987, but this decrease followed a substantial increase during the first quarter of 1987. This category does not lend itself to simple generalizations as a single hotel opening will have an impact on average figures for large numbers of small restaurants. Manufacturing businesses also declined during 1987 and ended the year with an average size similar to that of the third quarter 1986. This category also showed an increase in average size for the first quarter 1987.

Other business types have increased in average indoor floorspace, including business services, personal and household services, wholesale and finance and insurance. Table A9 gives details of the average size of businesses. Only retail businesses show a strong trend towards smaller businesses.

Map 2

The Downtown (PRIDE AREA)



6. AREA PROFILES

6.1 Downtown

- **Downtown is the major focus for new businesses; a wide variety of business types are being created.**

Downtown attracted the largest share of the city's new businesses during 1986 and 1987 and emerged as the prime location for retail growth. From data for each of the assessment work areas making up the Downtown (PRIDE) area (Map 2), Table A10 has been compiled which shows the profile of the major types of new businesses. Although retailing is the predominant category, strong gains were made in other sectors, especially business services and food, beverage and accommodation. The profile of new businesses in the Downtown is one of diversity.

Within the retail category, the Downtown illustrates well the city-wide trend toward polarization of retail facilities. Many of the new units are small, specialized, retail outlets and established businesses have reduced their floorspace.

Although fewer new businesses were opened in 1987 compared with 1986, business growth continues to provide a strong functional basis for revitalization of Downtown.

6.2 West Edmonton Mall

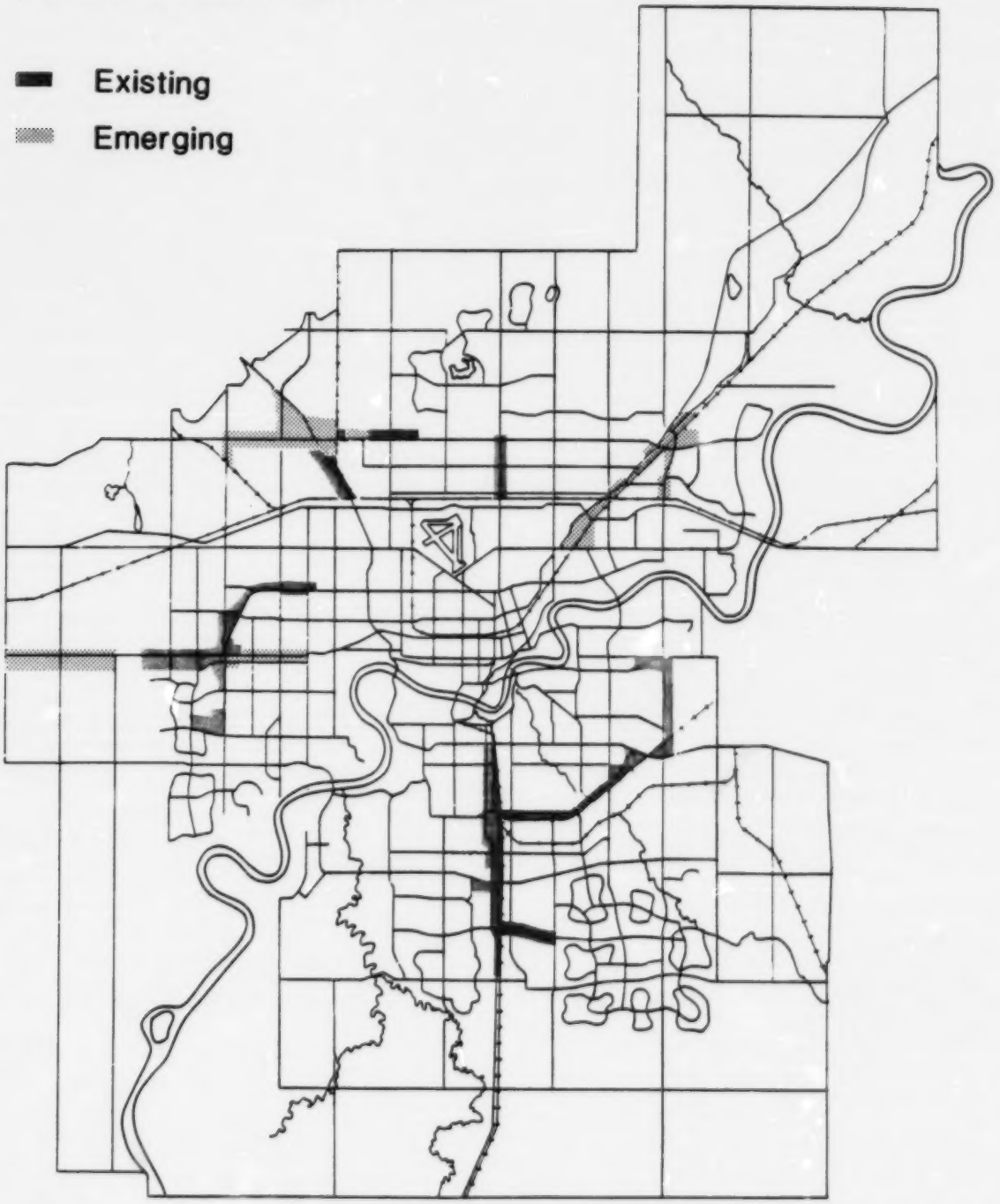
- **New businesses in West Edmonton Mall are largely retail businesses.**

Although West Edmonton Mall is no longer the primary location for new retail business growth, it received an impressive share of the city's new businesses during 1986 and 1987. As expected, retailing provided most of the new businesses: 58% of total new businesses in 1986 and 66% in 1987. The other important category is food, beverage and accommodation (20% of 1986 new businesses and 23% of the total for 1987). The strong concentration of new businesses in these two groups contrasts with the greater diversity of uses going into the Downtown.

Map 3

Existing and Emerging Megastrips

(Revised November 1987)



Source: Planning and Building Department

6.3 Megastrips

- **The megastrips or major commercial corridors are important locations for business growth, dominated by retail development.**

Map 3 shows the location of 'megastrips'[3] or major commercial corridors within the city. Data were examined for the existing megastrips.

During 1986 and 1987 the Calgary Trail and Argyll Road surpassed the other megastrips as the prime locations for new businesses as indicated below.

NEW BUSINESSES IN MEGASTRIPS

	1986	% of 1986 Total (3,103)	1987	% of 1987 Total (2,909)
170 Street	17	0.5	3	0.1
Mayfield Road	11	0.4	6	0.2
Stony Plain Road	12	0.4	13	0.5
111 Avenue	14	0.5	24	0.8
St. Albert Trail	9	0.3	2	0.1
137 Avenue	3	0.1	7	0.2
Calgary Trail	79	2.5	101	3.5
Argyll Road	68	2.2	54	1.9

Retail businesses dominated new business development in the megastrips with services also appearing in these locations. Development along the Calgary Trail, in particular, is comprised of a wide variety of business types. Manufacturing, wholesale trade, construction and mining and oilwell businesses were all represented in the new business generation figures for 1986 and 1987. Clearly, this growth is related to the adjacent industrial areas.

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[3] A megastrip is defined as a series of major retail concentrations with one or more regionally-oriented retail facility developing generally along a couplet or arterial roadway.

7. CONCLUSIONS

- **Edmonton has a high turnover of businesses.**

Since mid-1986 the City has received a healthy influx of new businesses, although the positive boost to the economy arising from this growth is modified by a high rate of business retirement. The local economy would benefit substantially if the high turnover of businesses could be reduced, to produce a growth rate which would overcome business decline and still generate new wealth and employment.

- **Changing trends in retailing have an impact on the city.**

Retailing continues to be the largest single business type in the city, but this sector is undergoing significant changes as shopping patterns change. Retail outlets are closing and may be replaced by other uses such as restaurants or services or the space may remain vacant. New retail businesses appear to be occupying less floorspace, with the exception of a few large-scale operations (the 'mega-stores'). The retail sector is thus becoming polarized: the small units are becoming highly specialized with a high level of personal service whereas the large stores are lower price outlets with less service.

- **Manufacturing and construction businesses help city growth.**

Although services dominate the lists of new businesses, manufacturing, construction and, to a lesser extent, wholesale trade showed steady growth.

- **Growth is occurring Downtown while some inner city areas are losing businesses.**

Downtown emerges as the main business centre with the major share of new business growth. This is an encouraging trend for Downtown revitalization. Unfortunately, certain inner city areas appear to be losing businesses over the period being reviewed. More detailed study is needed before recommending specific measures to rejuvenate the commercial fabric of these areas.

- **The City should help retain new businesses to improve the local economy.**

  A survey of new businesses could be the first stage in a new initiative by the City to help businesses survive. There is great potential for strengthening the city's economic and employment base by helping existing businesses to overcome problems which may cause them to close. The City can contribute to improvement in the local economy by creating conditions within which business initiative and expertise may thrive.

APPENDIX

TABLE A1: BUSINESS GROWTH (HISTORICAL DATA)

YEAR	# BUSINESS PREMISES (at start of year)	INCREASE/DECREASE	% CHANGE
1976	11,451	268	2.3
1977	11,719	331	2.8
1978	12,050	350	2.9
1979	12,400	650	5.2
1980	13,050	1,177	9.0
1981	14,227	1,817	12.8
1982	16,044	- 959	- 6.0
1983	15,085	66	0.4
1984	15,151	227	1.5
1985	15,378	871	5.7
1986	16,249	914	5.6
1987	17,163	275	1.6
1988	17,438		

SOURCE: Office of the City Assessor

TABLE A2: CHANGE IN NUMBERS OF BUSINESSES

Business Type	September 1986	December 1986	March 1987	June 1987	September 1987	December 1987
Retail	5,965	6,240	6,139	6,236	6,267	6,369
Business Services	2,240	2,277	2,260	2,265	2,285	2,303
Food, Beverage and Accommodation	1,269	1,307	1,300	1,331	1,334	1,353
Health and Social Services	1,078	1,218	1,198	1,197	1,199	1,220
Construction	1,105	1,131	1,105	1,096	1,124	1,145
Manufacturing	900	920	913	923	930	942
Personal and Household Services	831	844	837	846	849	844
Wholesale	768	776	776	722	771	772
Others	2,402	2,450	2,401	2,436	2,446	2,490
Total	16,558	17,163	16,929	17,052	17,205	17,438
New	810	1,453	368	774	652	1,115
Retired	520	848	602	651	499	882
Net Growth	290	605	- 234	123	153	233

SOURCE: Office of the City Assessor
Planning and Building Department Classification

TABLE A3: NEW BUSINESSES BY TYPE

	September 1986	December 1986	March 1987	June 1987	September 1987	December 1987
Total	810	1,453	368	774	652	1,115
Retail	282	575	127	318	252	448
Business Services	111	160	51	85	74	119
Food, Beverage and Accommodation	79	149	44	114	55	123
Health and Social Services	34	153	23	17	19	55
Construction	80	95	30	46	64	71
Manufacturing	32	57	25	34	27	52
Personal and Household Services	40	69	21	52	32	42
Wholesale	24	36	12	19	12	26
Others	128	159	35	89	117	179

SOURCE: Office of the City Assessor
Planning and Building Department Classification

TABLE A4: RETIRED BUSINESSES BY TYPE

	September 1986	December 1986	March 1987	June 1987	September 1987	December 1987
Total	520	848	602	651	499	882
Retail	192	298	212	220	215	348
Business Services	81	121	65	81	58	102
Food, Beverage and Accommodation	46	111	55	83	51	103
Health and Social Services	16	14	43	18	17	34
Construction	37	70	52	54	36	51
Manufacturing	28	38	40	28	21	39
Personal and Household Services	27	55	31	43	29	46
Wholesale	20	29	24	21	15	27
Others	73	112	80	103	57	132

SOURCE: Office of the City Assessor
Planning and Building Department Classification

TABLE A5: TOTAL BUSINESSES BY TYPE, DECEMBER 31, 1986

	No.	%	Indoor Space	%
1. Retail	6,204	36.4	3,053,471	34.7
2. Business Services	2,277	13.3	624,703	7.1
3. Food, Beverage and Accommodation	1,307	7.6	820,137	9.3
4. Health and Social Services	1,218	7.1	190,869	2.2
5. Construction	1,131	6.6	468,728	5.3
6. Manufacturing	920	5.4	1,095,336	12.4
7. Personal and Household Services	844	4.9	111,888	1.3
8. Wholesale	776	4.5	949,478	10.8
9. Finance and Insurance	514	3.0	226,182	2.6
10. Other Services	418	2.4	69,664	0.8
11. Transportation and Storage	398	2.3	431,885	4.9
12. Real Estate and Insurance Agents	254	1.5	65,164	0.7
13. Mining and Oilwell	240	1.4	199,452	2.3
14. Unclassified	234	1.4	193,642	2.2
15. Recreation and Amusement	167	1.0	146,902	1.7
16. Communication and Utilities	93	0.5	92,267	1.0
17. Educational Services	87	0.5	25,187	0.3
18. Agriculture and Related	45	0.3	35,005	0.4
TOTAL	17,163		8,799,954	

SOURCE: Office of the City Assessor
Planning and Building Department Classification

TABLE A6: TOTAL BUSINESSES BY TYPE, DECEMBER 31, 1987

	No.	%	Indoor Space	%
1. Retail	6,369	36.0	3,021,612	33.9
2. Business Services	2,303	13.0	646,352	7.3
3. Food, Beverage and Accommodation	1,353	8.0	856,746	9.6
4. Health and Social Services	1,220	7.0	197,532	2.2
5. Construction	1,145	7.0	447,393	5.0
6. Manufacturing	942	5.0	1,146,055	12.9
7. Personal and Household Services	844	5.0	118,548	1.3
8. Wholesale	772	4.0	970,937	10.9
9. Finance and Insurance	490	3.0	225,775	2.5
10. Other Services	414	2.0	70,417	0.8
11. Transportation and Storage	383	2.0	418,711	4.7
12. Real Estate and Insurance Agents	253	1.5	65,858	0.7
13. Mining and Oilwell	221	1.0	181,457	2.0
14. Unclassified	329	2.0	222,003	2.5
15. Recreation and Amusement	154	1.0	147,630	1.7
16. Communication and Utilities	108	0.6	102,817	1.2
17. Educational Services	92	0.5	27,103	0.3
18. Agriculture and Related	46	0.3	35,186	0.4
TOTAL	17,438		8,902,132	

SOURCE: Office of the City Assessor
Planning and Building Department Classification

TABLE A7: TOTAL NEW AND RETIRED BUSINESSES SEPTEMBER 1986 TO DECEMBER 1987

	New Businesses	Business Creation Rate	Retired Businesses	Closure Rate
Total	4,362	26.3%	3,482	16.6%
Retail	1,720	28.8%	1,293	16.8%
Business Services	489	21.8%	427	15.6%
Food, Beverage and Accommodation	485	38.2%	403	23.0%
Healthy and Social Services	267	24.8%	126	9.4%
Construction	306	27.7%	263	18.6%
Manufacturing	195	21.7%	166	15.2%
Personal and Household Services	216	26.0%	204	19.5%
Wholesale	105	13.7%	116	13.2%
Others	579		484	

SOURCE: Office of the City Assessor
Planning and Building Department Classification

TABLE A8: NET INCREASE IN NUMBER OF BUSINESSES FROM JULY 1986 TO DECEMBER 1987

	Increase in Number of Businesses	% Increase
Retail	404	6.8%
Business Services	63	2.8%
Food, Beverage and Accommodation	84	6.6%
Health and Social Services	142	13.2%
Construction	40	3.6%
Manufacturing	42	4.7%
Personal and Household Services	13	1.6%
Wholesale	4	0.5%

SOURCE: Office of the City Assessor
Planning and Building Department Classification

TABLE A9: AVERAGE BUSINESS SIZE BASED ON ASSESSED INDOOR FLOORSPACE (SQ.M.)

	September 1986	December 1986	March 1987	June 1987	September 1987	December 1987
Total Floorspace	8,619,063	8,799,954	8,767,926	8,782,025	8,796,957	8,902,132
No. Businesses	16,558	17,163	16,929	17,052	17,205	17,438
Average Space Per Business (sq.m.)	521	513	518	515	511	511
Retail	2,964,529	3,053,471	3,007,639	3,003,953	2,996,858	3,021,612
No. Businesses	5,965	6,240	6,139	6,236	6,267	6,369
Average Space Per Business (sq.m.)	497	489	490	482	478	474
Business Services	611,037	624,703	603,397	612,009	635,982	646,352
No. Businesses	2,240	2,277	2,260	2,265	2,285	2,303
Average Space Per Business (sq.m.)	273	274	267	270	278	281
Food, Beverage and Accommodation	796,742	820,137	834,383	849,311	845,143	856,746
No. Businesses	1,269	1,307	1,300	1,331	1,334	1,353
Average Space Per Business (sq.m.)	628	627	642	638	634	633
Health and Social Services	171,610	190,869	189,773	189,767	191,488	197,532
No. Businesses	1,078	1,218	1,198	1,197	1,199	1,220
Average Space Per Business (sq.m.)	159	157	158	158.5	160	162

SOURCE: Office of the City Assessor
Planning and Building Department Classification

TABLE A9: AVERAGE BUSINESS SIZE BASED ON ASSESSED INDOOR FLOORSPACE (SQ.M.) (CONTINUED)

	September 1986	December 1986	March 1987	June 1987	September 1987	December 1987
Manufacturing	1,095,924	1,095,336	1,119,140	1,129,374	1,136,428	1,146,055
No. Businesses	900	920	913	923	930	942
Average Space Per Business (sq.m.)	1,218	1,191	1,226	1,224	1,222	1,217
Personal and Household Services	111,064	111,888	116,797	117,116	117,410	118,548
No. Businesses	831	844	837	846	849	844
Average Space Per Business (sq.m.)	134	133	140	138	138	140
Wholesale	941,412	949,478	965,104	958,522	959,850	970,937
No. Businesses	768	776	776	772	771	772
Average Space Per Business (sq.m.)	1,226	1,224	1,244	1,242	1,245	1,258
Finance and Insurance	224,723	226,182	229,567	227,115	228,320	225,775
No. Businesses	518	514	504	494	497	490
Average Space Per Business (sq.m.)	434	440	455	460	459	461

SOURCE: Office of the City Assessor
Planning and Building Department Classification

TABLE A10: PROFILE OF NEW BUSINESSES (MAJOR TYPES)
DOWNTOWN AND IN WEST EDMONTON MALL

	1986		1987	
	No.	%	No.	%
Downtown (PRIDE area)				
Retail	104	25	92	26
Business Services	78	19	45	13
Food, Beverage and Accommodation	66	16	45	13
Other	167	40	169	48
Total	415	100	351	100
West Edmonton Mall				
Retail	62	58	63	66
Food, Beverage and Accommodation	21	20	22	23
Other	23	22	10	11
Total	106	100	95	100

SOURCE: Office of the City Assessor
Planning and Building Department Classification